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STOP FOREIGN AID SWINDLE

Bankrupt Nation Sending Borrowed Money To Aid Communism At Expense Of Taxpayers



Congressman Otto Passman, arch-foe of foreign aid waste and crusader for common sense in our fiscal policies and foreign aid commitments

By CONG. OTTO E. PASSMAN, Chairman
Foreign Operations Subcommittee
on Appropriations

In an effort to be helpful, I am furnishing you with fact sheets relating to the foreign aid program handled by the Foreign Operations Subcommittee on Appropriations. (There are many other foreign aid programs carried in other bills.) There are now 22 Federal agencies dispensing some type of foreign aid, and the total for Fiscal 1966 doubtless will exceed **SEVEN BILLION DOLLARS**. This does not include interest our Government is paying on the money it has borrowed to give away which is now in excess of **THREE AND ONE-HALF BILLION DOLLARS ANNUALLY**.

AID's system of obligating, deobligating and reobligating, and funding projects in excess of the cost to complete, makes it impossible for even the most dedicated Member to determine what part of the unliquidated funds are firmly committed. AID's final figures show that there will be unliquidated funds, old and new, to be committed or disbursed during Fiscal 1965 of **11 BILLION, 27 MILLION DOLLARS**.

For your information, our Government will be disbursing some type of foreign aid during Fiscal 1965 in **99 foreign nations and 9 territories**. I contend that this program, in its present form, is uncontrolled and apparently uncontrollable. There are **71,416 individuals**, including participants, on its payrolls. It has reached such proportions that even the confusers are confusing themselves. No program in the history of mankind has had as many paid lobbyists as the foreign aid program. It would take many, many pages, if not a book, to list the names of all individuals who are lobbying for or are recipients of the program.

The foreign aid program is not in reality a Presidential program, although it is submitted to the Congress in his name. It is a

bureaucratic program. The President has too much to do to be able to familiarize himself with the many ramifications, misrepresentations and claims of accomplishment by the paid bureaucrats, Government lobbyists, spenders and recipients. Therefore, I cannot, with good conscience, remain silent. I must do everything possible to continue exposing the weaknesses of the program and the unsubstantiated claims for good made by the spenders and disbursers of America's wealth.

Hearings on the Budget request for foreign aid for Fiscal 1966 will soon get underway. I expect to continue this year, as in the past, exposing the frightful waste built into this program. If you will read the attached sheets, you will fully under-

stand why I must continue exposing the weaknesses and wastefulness of this program.

The foreign aid program has been the primary reason for our serious "gold outflow" to foreign countries. Undoubtedly you will agree after analyzing the following: On December 31, 1957, our gold stockpile amounted to **\$22,857,000,000**. On December 31, 1963, our gold stockpile had dwindled to **\$15,596,000,000**, a drop of **\$7,261,000,000** in six years. During this same period of time, the 57 countries listed below received **\$12,436,400,000** in military and/or economic assistance from the United States. Also, during this same period, these nations purchased **\$6,977,800,000** of our gold:

Net sales of U.S. gold to foreign aid program recipients

[In millions of dollars—Negative figures represent net sales by the United States; positive figures represent net purchases]

Country	1958	1959	1960	1961	1962	1963	Total
Algeria						-\$15.0	-\$15.0
Argentina	+\$67.2		-\$50.0	-\$90.0	+\$85.0	-30.0	-17.8
Austria	-84.2	-\$82.7	-1.1		-142.5	-32.1	-342.6
Belgium	-329.4	-38.5	-140.9	-144.4	-63.0		-716.2
Burma			-3.8		-20.9		-24.7
Cambodia			-12.0	-3.1	-1.7	+3.2	-13.6
Cameroon Republic						-1.9	-1.9
Central African Republic						-7	-7
Ceylon		-7.5					-7.5
Chad						-7	-7
Chile	+3.0	-1.3	-2.0	-6.6			-6.9
Congo (Leopoldville)						-3.1	-3.1
Costa Rica				-2.3	-5		-2.9
Cyprus				-2.0			-2.0
Dahomey						-8	-8
Denmark	-17.0	-15.0	-15.0	-35.0	+15.0		-67.0
Dominican Republic				-3.0			-3.0
Ecuador					-3.2	-2.3	-5.5
Egypt			-7.5	-7.8	-1.2	-2.2	-18.7
Country A		-4.7	-3.0				-7.7
France		-265.7	-173.0		-459.1	-517.7	-1,415.5
Gabon						-7	-7
Germany (West)			-33.8	-22.5			-56.3
Ghana			-5.6				-5.6
Greece		-15.0	-47.0	-10.2	-19.1		-91.3
Guinea						-2.8	-2.8
Honduras			-8				-8
Indonesia		-11.0	-24.9				-35.9
Iran	-2.3		-4	-16.1		-5.9	-24.7
Iraq			-29.8				-29.8
Israel		-4.4			-10.0	-7.0	-21.4
Italy	-348.8			+100.0			-248.8
Ivory Coast					-1.5		-1.5
Japan	-30.1	-157.4	-15.2				-202.7
Korea		-1.6					-1.6
Laos				-1.9			-1.9
Lebanon				-21.0	-32.1		-53.1
Mauritania						-8	-8
Mexico		-30.0	-20.0			-4.0	-54.0
Morocco			-21.0				-21.0
Netherlands	-260.9	-29.9	-249.4	-24.9			-565.1
Niger				-20.0		-8	-28.0
Nigeria							
Pakistan			-12.5				-12.5
Peru			-15.0	-5.0	-6	-10.6	-31.2
Portugal	-20.0	-10.0					-30.0
Saudi Arabia			-11.3	-47.5	-12.6		-71.4
Senegal						-1.7	-1.7
Somalia					-1.9		-1.9
Spain	+31.7		-113.7	-156.2	-146.1	-130.0	-514.3
Surinam	-2.5		-2.5		+2.5		-2.5
Syria			-2.1		-1.3	-4	-3.9
Tunisia			-5		-5	-5	-15.0
Turkey			-6.1	-2.5	-1.1	+2.0	-7.7
United Kingdom	-900.0	-350.0	-550.0	-305.7	-367.0	+329.3	-2,163.4
Upper Volta						-8	-8
Yugoslavia		-1.5	-15.9		-1.5	-1.9	-20.8
Net sales of gold	-1,893.3	-1,026.2	-1,585.8	-627.7	-1,204.9	-439.9	-6,977.8

Calendar-year 1964 figures on the "gold outflow," which will be even more serious, are not yet available in certified form. Do you not agree that the above verified infor-

mation conveys a true study as to the effect foreign aid is having on our gold reserves, balance-of-payments position and public debt? (Please turn to page 3)